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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/605,293

09/19/2003

James Allen Charnley JR.

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EXAMINER

LUBIN, VALERIE

ART UNIT

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4137

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/605,293	Applicant(s) CHARNLEY, JAMES ALLEN	
	Examiner VALERIE LUBIN	Art Unit 4137	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 19 September 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-14 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-14 is/are rejected.
- 7) ☒ Claim(s) 2-14 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on _____ is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input checked="" type="checkbox"/> Other: <u>East Search History</u> . |

DETAILED ACTION

Acknowledgments

1. Claims 1-14 are pending
2. For reference purposes, the paper number is 20080131

Specification Objections

3. Applicant is reminded of the proper language and format for an abstract of the disclosure.
4. The abstract should be in narrative form and generally limited to a single paragraph on a separate sheet within the range of 50 to 150 words. It is important that the abstract not exceed 150 words in length since the space provided for the abstract on the computer tape used by the printer is limited. The form and legal phraseology often used in patent claims, such as "means" and "said," should be avoided. The abstract should describe the disclosure sufficiently to assist readers in deciding whether there is a need for consulting the full patent text for details.
5. The language should be clear and concise and should not repeat information given in the title. It should avoid using phrases which can be implied, such as, "The disclosure concerns," "The disclosure defined by this invention," "The disclosure describes," etc.
6. The abstract of the disclosure is objected to because the word count is greater than 150. Correction is required. See MPEP § 608.01(b).
7. The disclosure is objected to because of the following informalities: the disclosure is replete with incomplete, ambiguous phrases, and lacks proper punctuation. Appropriate correction is required. The lengthy specification has not been checked to the extent necessary

to determine the presence of all possible minor errors. Applicant's cooperation is requested in correcting any errors of which applicant may become aware in the specification.

Claim Objections

8. Claims 2-14 are objected to because of the following informalities: the dependency of claims is not clear, in particular for claims 2-4, and 10-14. Appropriate correction is required; please review all the dependent claims to ensure the dependency is correct. For purposes of examination, Examiner will interpret all claims to be dependents of claim 1.

Claim Rejections - 35 USC § 112

9. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

10. Claims 4, 8-14 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claims contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention.

11. The specification does not provide any direction as to how one of ordinary skill would be able to perform the steps listed in the claims without undue experimentation. For instance, in claim 4, Applicant does not disclose how one of ordinary skill would perform the "marking" of investments and the "tallying" of the change in market value. For examining purposes,

Examiner will interpret claim 4 to mean: The method of claim 1 comprising the steps of providing an initial and ending period market value and record of distributions paid for cash investment securities; determining and recording a net return on the said cash investments.

13. Claims 8 and 9 involve grading the strength of the manager's selection, a process that applicant does not discuss in his specification. For examining purposes, Examiner will interpret claim 8 to mean: the method of claim 1, wherein the step of analyzing attributes comprises the step of measuring the performance of investments relative to peer investments. Claim 9 will be interpreted to mean: the method of claim 1 wherein the step of analyzing the attributes comprises the step of measuring the performance of the portfolio relative to peer portfolios.

14. Claim 10 is to a step that involves increments of 5-percent each; this is a concept that Applicant does not disclose in his specification.

15. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

16. Claims 1-14 rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The claims are generally narrative and indefinite, failing to conform with current U.S. practice. They appear to be a literal translation into English from a foreign document and are replete with grammatical and idiomatic errors.

17. In claim 1, Applicant uses the terms "higher" and "relative". Such terms constitute relative language from which Examiner cannot identify the metes and bounds of the claim.

Claims 2-14 as dependents of claim 1 are rejected under the same analysis (See MPEP

2173.05(b)). For examination purposes, Examiner will interpret limitation 5 of claim 1 to mean aggregating investments within the portfolio.

18. Claims 3 and 4 use conditional language that does not cover all possible alternatives. For instance, claim 3 is to steps of setting a time period and determining start and end amounts if the investment type is a mutual fund....Examiner notes that Applicant does not include steps pertaining to situations where the investment type is not a mutual fund, other booked-valued, etc. Each claim should have steps to cover all possible alternatives or conditions within it. Also, the language of "any options, future contracts or other hedging devices" does not sufficiently define the scope of Applicant's claims (MPEP 2173.05(d)).

19. Claims 5-7 recite the limitation "determining the attributes..." There is insufficient antecedent basis for this limitation in those claims, and it is not clear what attributes applicant is referring to. Examiner points out that throughout those claims; the use of "the" lacks sufficient antecedent basis.

20. Similarly, claim 8 recites the limitation "determining a peer group for this relative measure..." There is insufficient antecedent basis for this limitation in the claim, as Applicant does not previously claim a relative measure. Furthermore, the language, "the tenets of the Capital Assets Pricing Model" does not sufficiently define the scope of Applicant's claims (MPEP 2173.05(d)). Claims 8 and 9 recite "available to the manager"; however, to one of ordinary skill it is unclear what the manager has access to, and there also is a lack of antecedent basis as Applicant does not previously claim a method involving a manager.

21. Claim 10 uses the following language, "...allocation alternatives that can be constructed..." which suggests or makes optional, but does not require the steps to be performed, and hence, it does not limit the scope of the claim (See MPEP 2106). Examiner will

thus interpret the claim to mean that the peer group used to determine the relative performance for the function of asset allocation selection is comprised of the population of asset allocation alternatives.

22. Claim 14 is directed to a step of assigning a manager to one of four groups based on the position of the investment performance, and a step of determining the probable position of the investment performance. The claim is first assigning based on a position performance that is determined after the step of assigning. It is not clear how Applicant is performing a present step based on the value of a step not yet performed. Examiner interprets the claim to be a simulation, by which Applicant is applying what-if scenarios in order to determine probable future performance of investment portfolios

Claim Rejections - 35 USC § 103

23. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

24. Claim 1 is rejected under 35 U.S.C. 103(a) as being unpatentable over Rebane, U.S. Patent No. 6,405,179.

25. With respect to claim 1, Rebane discloses providing an allocation alternative database (Figure 4, element 201; Column 11, lines 48-53). Although, Rebane does not specifically recite a market-sector indices database and a mutual fund performance database, he does disclose accessing "databases containing securities data such as corporate financial data, industry

performance, securities prices and performance data..." (Column 11, lines 38-40). Market indices and mutual fund performance data are subsets of the securities data that Rebane discloses; thus, the prior art necessarily obviates Applicant's claim of providing a market indices database and a mutual fund performance database. Rebane does teach providing a user input of a composition of an investment portfolio (Column 10, lines 60-62), and the aggregation of investments within the portfolio (Column 12, lines 1-5). Examiner also notes that Applicant admits in his disclosure that it is a common practice to segment portfolio investments into market groupings or sectors (§ 37 of Applicant's Specification). Rebane also discloses analyzing the portfolio performance for the function of asset allocation strategy in terms of loss and uncertainty (Figure 7, Column 14, lines 59-65; column 15, lines 25-42); the portfolio performance for the function of market-sector indices (Column 12, lines 6-9); and Rebane also discloses the analysis of portfolio performance for the function of individual investment selection (Figure 10, Column 17, lines 23-50). Rebane also teaches the reporting of the portfolio performance of the levels of loss and uncertainty by the selection of investment at the market-sector level (Column 12, lines 6-9; column 13, lines 50-67 and column 14, line 5). Examiner previously showed that Rebane allows a user to define a market return possibly based on a market index such as the S&P 500; which means that user is able to view the performance of their current portfolio with respect to that index. This is therefore a form of reporting of the portfolio performance with respect to market-sector indices. Examiner notes this limitation contains the limitation of reporting first results... and thus both limitations are rejected under the same analysis. Rebane also covers the limitation of reporting third results... (Figure 7). In effect, in this figure, Rebane shows the performance of the portfolio with respect to the asset allocation strategy, with respect to loss, return and uncertainty. Rebane does not specifically

recite generating an audit report that combines all the performance analyses; however, it would have been obvious to one of ordinary skill in the art to combine the different performance analyses into one report or output view. Doing so would enable a user to view all pertinent information in one simple report and without having to do additional research.

26. Claims 2 -13 are rejected under 35 U.S.C. 103(a) as being unpatentable over Rebane, U.S. Patent No. 6,405,179 in view of Sloan et al., U.S. Pre-Grant Pub No. 2002/0147671.

27. Regarding claim 2, Examiner previously elaborated on how Rebane's teachings were obvious over claim 1. However, Rebane does not teach determining the investment type. Sloan does disclose applying assets to investments including: stocks, bonds and mutual funds (Figure 14). Those investment types include those specified in the claim. It would have been obvious to combine the teachings of Rebane with those of Sloan to include all those investment types, because those are commonly owned and traded investments, and one of ordinary skill in the art would want the asset allocation program to offer a user a vast selection of investments to choose from for a portfolio.

28. With respect to claim 3, Rebane discloses setting a period of evaluation having a start and end date (Column 13, lines 1-5); determining an investment amount at the start of the period and determining the investment amount at the end of the investment period (Column 14, lines 50-52, 59-63). Sloan also discloses determining the start and end value of investment over a predetermined period (§ 136). One of ordinary skill in the art would combine the teachings of Rebane and Sloan under the same motivation as for claim 2. Claim 4 is directed to labeling data in computer memory (e.g. "average risk", "low risk"), however, it has been held that data in memory, that is not functionally related to the memory will not differentiate the claims from the prior art (*In re Gulack*, 217 USPQ 401 (Fed. Cir. 1983), *In re Ngai*, 70 USPQ2d (Fed.

Cir. 2004), In re Lowry, 32 USPQ2d 1031 (Fed. Cir. 1994); MPEP 2106.01 II)). Based on Examiner's interpretation of claim 4, as discussed in paragraph 11 of this Office Action, claim 4 is rejected under the same analysis.

29. For claim 5, Rebane does not specifically recite the limitations of the claim; however, Sloan does recite determining initial and current asset allocation strategies based on loss and uncertainty for the initial and current period as well as historically (§ 13 and 14).

30. With regards to claims 6-13, Sloan also recites the limitations of the claims (Figures 5, 14; § 79, 80, 82). For claims 6 and 7, in figure 5, element 220 is an icon for monitoring the performance of investments and element 222 generates an investment portfolio model based on user-entered criteria. Element 234 shows the different companies and industries along with the risk associated with those companies and industries. Element 236 is a risk/reward map that shows the investors' probability of reaching his/ her financial goals. With respect to claims 8-10, paragraph 82 discusses an evaluation of the contributions of securities in the portfolio relative to personal and financial parameters as they compare to an analysis of risk compliance, growth and volatility. Paragraph 79 recites an analysis of market related growth by security and sector, and paragraph 80 recites the evaluation of an existing portfolio based on growth and volatility. For claims 11-13, in figure 14, element 38 shows that a performance evaluation is done for bonds, stocks and mutual funds in different markets; the figure also shows a risk axis as described in claim 12, and the return axis shows the return based on different indices or market sectors as in claim 13.

31. For claims 10-13, it has been held that a clause (e.g. wherein , whereby) that merely states the result of the limitations in the claim adds nothing to the patentability or substance of the claim ((Texas Instruments Inc. v. International Trade Commission 26, USPQ2d 1010 (Fed.

Cir. 1993); Griffin v. Bertina, 62 USPQ2d 1431 (Fed. Cir. 2002); Amazon.com Inc. v. Barnesandnoble.com Inc., 57 USPQ2d 1747 (CAFC 2001)).

32. Claim 14 as understood by Examiner is to performing what-if scenarios in order to determine the probable or future performance of portfolios. Sloan does disclose what-if scenarios in which a user can determine future performance of portfolios (Figure 16). Thus the prior art obviates Applicant's claim because one of ordinary skill in the art would conduct what-if scenarios or simulations in order to consider future performances that can impact investment decisions.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure: Kim et al., U.S. Pre-Grant Pub No. 2002/0062272, Kam et al.; U.S. Pre-Grant Pub No. 2001/0042037; Jones et al., U.S. Patent No. 6,021,397; Munoz et al., U.S Pre-Grant Pub No. 2002/0198822.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to VALERIE LUBIN whose telephone number is (571)270-5295. The examiner can normally be reached on Monday-Friday 7:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Calvin Hewitt can be reached on 571-272-6709. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/VALERIE LUBIN/
Examiner, Art Unit 4137

/Calvin L Hewitt II/

Supervisory Patent Examiner, Art Unit 4137